

Message Text

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PAGE 01 PARIS 00847 01 OF 02 102043Z

73

ACTION EUR-25

INFO OCT-01 EA-11 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10

L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

AID-20 EB-11 CIEP-02 TRSE-00 STR-08 OMB-01 CEA-02

COME-00 INT-08 SCEM-02 SCI-06 IO-14 NEA-10 AF-10

NIC-01 SAJ-01 DRC-01 /196 W
----- 067169

P R 101910Z JAN 74

FM AMEMBASSY PARIS

TO SECSTATE WASHDC PRIORITY 5995

INFO AMEMBASSY LONDON

AMEMBASSY BONN

AMEMBASSY ROME

AMEMBASSY DUBLIN

AMEMBASSY COPENHAGEN

AMEMBASSY BRUSSELS

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY OTTAWA

AMEMBASSY TOKYO

AMEMBASSY OSLO

USNATO 3442

USEC BRUSSELS UNN

USIA WASHDC

UNCLAS SECTION 1 OF 2 PARIS 0847

E.O. 11652: N/A

TAGS: PFOR, FR

SUBJECT: PRESS COMMENT ON PRESIDENTIAL INVITATION TO ENERGY
CONFERENCE

SUMMARY: PRESIDENT'S FEBRUARY INVITATION TO MAJOR OIL-
CONSUMING NATIONS WAS MAJOR TOPIC IN JANUARY 10 PARIS PRESS,
WHOSE REACTIONS RANGED FROM SHARP CRITICISM (COMMUNIST AND
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PAGE 02 PARIS 00847 01 OF 02 102043Z

GAULLIST PARTY NEWSPAPERS) THROUGH RESERVED APPROVAL OF FIGARO

TO ENTHUSIASTIC SUPPORT OF AUORE. OPPONENTS OF PROJECT SAW IN IT A U.S. ATTEMPT TO PRESERVE ITS "PREDOMINANCE" IN ENERGY MATTERS AND DEFEND INTERESTS OF AMERICAN OIL COMPANIES; THOSE IN FAVOR FELT THAT CONCERTED ACTION BY CONSUMER NATIONS OFFERS ONLY REAL CHANCE TO NEGOTIATE SUCCESSFULLY WITH ARAB PRODUCERS. FOR ITS PART, LE MONDE JUDGED THAT PARIS, THOUGH DOUBTFUL, WILL RESPOND FAVORABLY; IT SAID U.S. POSITION IS STRENGTHENED BY REFUSAL OF OPEC PRODUCERS TO HONOR CONTRACT CLAUSES WITH OIL COMPANIES OF LAST JUNE CALLING FOR LOWERING OF CRUDE PRICES IN LIGHT OF DOLLAR'S RISE. END SUMMARY.

1. PRESIDENT'S INVITATION TO MAJOR OIL CONSUMERS WAS WELCOMED WITH ENTHUSIASM BY ANTI-ARAB AUORE, WHICH UNDERLINED OPEC MEMBERS' "REFUSAL AND INABILITY TO HONOR COMMITMENTS" TO LOWER PRICE OF CRUDE AS FUNCTION OF DOLLAR'S RISE. PAPER ASKED HOW "DRASTIC" POSITIONS LIKE THIS CAN EVER BE CHANGED THROUGH "DIVERSE" NEGOTIATIONS, AND ASSERTED THAT ONLY A CONCERTED ATTITUDE "SUCH AS ONE SUGGESTED BY THE U.S. PRESIDENT AND THE BRUSSELS COMMISSION LEAVE SOME HOPE FOR A FAIR SOLUTION..."

IN FIGARO, ALAIN VERNAY THOUGHT PREPARATIONS FOR WASHINGTON MEETING HAVE NOT BEEN "BE T POSSIBLE", BUT SAID THAT "ONLY FRUITFUL CONCERTED ACTION" CAN RESULT IN THE CHANCE TO NEGOTIATE WITH OPEC COUNTRIES. LIKE HIS COLLEAGUES AT AUORE AND LE MONDE, VERNAY WAS CRITICAL OF "IRRESPONSIBLE" OPEC ACTION IN DECIDING NOT TO LOWER PRICE OF CRUDE, AS CURRENT CONTRACTS COMMIT MEMBERS TO DO. COCKING AN EYE AT GOF, VERNAY EXPRESSED DIFFICULTY IN SEEING HOW ANY MEMBER OF EEC CAN REFUSE TO BE REPRESENTED IN WASHINGTON "EVEN IT FEELS THAT MR. NIXON INTENDS TO BOSS HIS WESTERN PARTNERS" THERE. IN THIS CONNECTION, FIGARO'S WASHINGTON CORRESPONDENT SPECULATED THAT, IF WHITE HOUSE ENERGY ACTION GROUP PLAN SUCCEEDS, "MR. NIXON WILL BE IN BETTER POSITION THAT ANY U.S. PRESIDENT SINCE HIROSHIMA TO DICTATE THE COMMANDMENTS OF A TRU PAX AMERICANA".

2. LEFTIST COMBAT, WHICH HAD NO COMMENT AT ALL TODAY ON WHITE HOUSE INVITATION, YESTERDAY SCORED GOF FOR "PANIC FLIGHT", NEGOTIATING ON HER OWN WITH ARABS "IN CONTEMPT OF HER TIES WITH EUROPE". WORST THING POSSIBLE, SAID PAPER, IS CLOSER ENTANGLEMENT WITH ARAB COUNTRIES, WHO ARE ENTITLED TO PLANTS AND EQUIPMENT

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PAGE 03 PARIS 00847 01 OF 02 102043Z

IN EXCHANGE FOR OIL, BUT NOT WEAPONS. FRANCE, IN COMBAT VIEW, IS "SECURING HER COMFORT" ALL RIGHT, BUT IS "LIKELY TO RUIN HER REPUTATION" IN THE PROCESS. LES ECHOS, TOO, WAS UPSET AT PROSPECTS FOR PEACE IN MIDDLE EAST IN LIGHT OF "HEAVY TRIBUTE" OF ARMS ARABS SEEM TO BE ABOUT TO RECEIVE FROM WESTERN OIL CONSUMERS, AND WAS ALARMED AT EVENTUAL CONSEQUENCES FOR ISRAEL. IT HOPED FOR CONCRETE RESULTS SOON IN GENEVA, WHERE ISRAELIS SHOULD SEIZE "FUGITIVE CHANCE" FOR SETTLEMENT WHILE IT EXISTS. OTHERWISE,

LES ECHOS FEARED, "ALL OF MR. KISSINGER'S EFFORTS WILL BE
DOOMED TO FAILURE".

3. COMMUNIST HUMANITE AND GAULLIST LA NATION WERE BEDFELLOWS OF
A SORT WHERE WHITE HOUSE INVITATION WAS CONCERNED. HUMANITE
CHIEF EDITOR RENE ANDRIEU FOUND "EVERY REASON TO BELIEVE" THAT
MAIN GOAL OF WASHINGTON IS TO "STUDY VARIOUS PRESSURES THAT COULD
BE USED AGAINST.../...STONE

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PAGE 01 PARIS 00847 02 OF 02 102056Z

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FM AMEMBASSY PARIS
TO SECSTATE WASHDC PRIORITY 5997
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USNATO 3443
USEC BRUSSELS UNN
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UNCLAS SECTION 2 OF 2 PARIS 0847

OIL- PRODUCING STATES AND TO DEFEND, NOT THE INTERESTS OF THE PEOPLE, BUT THOSE OF THE BIG OIL COMPANIES", U.S. WANTS TO "TIGHTEN ITS STRANGLEHOLD ON WESTERN EUROPE", HE ADDED. LA NATION SAID ONE COULD REACH" "PARADOXICAL" CONCLUSION THAT "IT IS THE AMERICANS THEMSELVES WHO ARE AT THE ROOT OF THE OIL CRISIS, SINCE IT IS SO PROFITABLE TO THEM" PAPER LISTED "SIGNIFICANT ADVANTAGES" U.S. IS DRAWING FROM CRISIS, BEFORE GOING ON TO ASSES* WASHINGTON ENERGY MEETING: FIRST, U.S. WILL TRY TO ORGANIZE
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UNCLASSIFIED

PAGE 02 PARIS 00847 02 OF 02 102056Z

ATTENDING STATES AS "MAIN STRIKE FORCE", IN ORDER TO SELECT DURING LATER DISCUSSIONS WITH PRODUCER NATIONS "A SOLUTION FAVORING THE INTERESTS OF THE BIG AMERICAN OIL COMPANIES " AND "CONSOLIDATIOG U.S. PREDOMINANCE ON THE ENERGY LEVEL". PRETENDING TO BE SIMPLY AGAINST ISOLATED INITIATIVE SUCH AS FRANCE'S, REAL U.S. PURPOSE IS TO ACQUIRE CONTROL OF "ALL RELATIONS BETWEEN PRODUCER AND CONSUMER COUNTRIES", CHARGED LA NATION, IT WONDERED WHY ONLY FIVE OF NINE EEC MEMBERS ARE NUDGED "WORTHY OF INTEREST", AND SAID IT BECOMES MORE AND MORE OBVIOUS THAT THE EUROPEAN APPROACH AND THE 'ATLANTIC ' APPROACH ARE MUTUALLY EXCLUSIVE". FRANCE HAS LONG RENOUNCED "GUN-BOAT DIPLOMACY", THE NEWSPAPER SAID, BUT DOES NOT INTEND TO LOSE THE TRUMPS IT HAS AMONG PRODUCER COUNTRIES AS RESULT OF ITS LONGTIME POLICY OF COOPERATION BETWEEN INDUSTRIAL AND THIRD WORLD COUNTRIES. "WITHOUT BEING HOSTILE" TO CONCERTATION AMONG INDUSTRIALIZED STATES, LA NATION DECLARED, FRANCE "WILL NOT ALLOW ITSELF TO BE ENCLOSED IN SYSTEM WHICH WOULD DEPRIVE IT, AND EUROPE TOO, OF ITS FREEDOM OF ACTION, TO THE PROFIT OF A FOREIGN EGOTISM".

4. FOREIGN EDITOR MICHEL TATU OF LE MONDE JANUARY 11 THOUGHT PARIS WOULD PROBABLY RESPOND FAVORABLY TO WHITE HOUSE INVITATION, BUT LISTED SEVERAL QUESTIONS BEING ASKED IN PARIS ABOUT IT: WON'T IT APPEAR SIMPLY AS AN ATTEMPT TO COUNTER ARAB PRODUCTION CUTS AND PRICE HIKES? WHY WERE THESE PARTICULAR NINE STATES INVITED? TATU SUGGESTED ANSWER TO FIRST QUESTION MIGHT TIE IN U.S. DESIRE TO RE-ASSERT ITS "LEADERSHIP" IN SITUATION WHERE WASHINGTON IS UNABLE TO NEGOTIATE ITS OWN SEPARATE DEALS WITH ARABS AS EUROPEANS ARE DOING. AS TO MATTER OF CHOOSING INVITEES, TATU THOUGHT COMPOSITION OF MEETING DOES NOT CORRESPOND TO PRESENT OR FUTURE SITUATION, "SINCE NORWAY, POINTED OUT THAT NORWAY, AN INVITEE, IS REALLY A PRODUCER COUNTRY, WHILE BELGIUM AND DENMARK, NOT INVITED ARE CONSUMERS AND EEC MEMBERS

5. TATU WROTE THAT FRANCE WILL DOUBTLESS WISH OTHER CONSUMER NATIONS TO TAKE PART, PARTICULARLY POOR COUNTRIES, HE MENTIONED INDIA AS ONE EXAMPLE. CITING "INFORMED FRENCH CIRCLES", TATU SAID PRESIDENT'S IDEA OF TASK FORCE TO INVESTIGATE NEW ENERGY SOURCES "SUITS PARIS VERY WELL", AT SAME TIME, THESE CIRCLES WONDER HOW FOREIGN MINISTERS WILL BE ABLE TO GET INTO THESE MATTERS IN SUCH A SHORT MEETING.

FINALLY, HE SAID, NO ONE IS DISPOSED TO TURN AWAY FROM BILATERAL
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 PARIS 00847 02 OF 02 102056Z

CONTRACTS "WHICH SO FAR ARE THE ONLY EFFECTIVE METHOD TO GUARANTEE
STABILITY OF OIL SUPPLIES." FOR THIS REASON, CONCLUDED TATU,
WASHINGTON MEETING IS LIKELY, AT LEAST AT FIRST, TO BE RATHER
PERFUNCTORY.

6. LE MONDE SAID EDITORIALY THAT OPEC MEMBERS' DECISION NOT TO
LOWER PRICES OF CRUDE, AS PREVIOUSLY SIGNED CONTRACTS WITH COMPANIES
OBLIGE THEM TO DO DOES NOT APPEAR TOO SERIOUS IN ITSELF, HOWEVER,
SAID PAPER, THIS "NEW FAILURE TO KEEP THEIR WORD" PROVIDES A SUPPORTIVE

ARGUMENTS TO WASHINGTON'S "PATIENT DIPLOMACY". HOW CAN WE HOPE FOR
REAL STABILITY IN OIL MARKET, IT ASKED, IF OPEC GROUP IS NOT
CONVINCED THAT IT CLIENTS FORM A "COHERENT ENSEMBLE"?

7. GEORGES BROUSSINE, IN HIS USUALLY WELL-BACKGROUNDED DAILY NEWSLET-
TER LA POLITIQUE CE MATIN OFFERED FOLLOWING OBSERVATIONS: "TWO
KINDS OF REACTION WILL PROBABLY RESULT ON THIS SIDE OF THE ATLANTIC.
FRIST, THE NINE WILL CONSULT. ALSO, THE FRENCH GOVERNMENT WILL
TRY TO GET CLEARER PICTURE OF A PROJECT WHOSE OUTLINES SEEM
RATHER VAGUE. IF THE CREATION OF A RICH CONSU-
MER'S CLUB IS CERTAINLY NOT ACCEPTABLE TO THE GOF, IT COULD LOOK
WITH MORE INTEREST ON CONSULTATIONS WHICH WOULD OPEN OTHER
PERSPECTIVES."

BROUSSINE MENTIONED IN THIS RESPECT THE SEARCH FOR NEW SOURCES OF
ENERGY. HE DECLARED THAT "IF U.S. REALLY WISHES TO GATHER UNDER
ITS AEGIS THE INDUSTRIALIZED WESTERN COUNTRIES TO TRY TO FACE
THE CHALLENGE OF THE PRODUCER COUNTRIES, IF THEY TRULY WANT TO USE THE

OCCASION TO TAKE BACK THE LEADERSHIP OF THE "FREE WORLD",
THEN WE AR APPROACHING A VERY TOUGH AND VERY IMPORTANT CONFRONTA-
TION.

....IF ON THE OTHER HAND, FOR THIS PROBLEM AS WELL AS FOR THE POLITIC
AL
PROBLEM OF THE MIDDLE EAST CONFLICT, THE UNITED STATES WOULD AGREE
TO RECOGNIZE THE VALUE, AUTHENTICITY, AND REALITY OF THE EUROPEAN
ENTITYS, THE TRIAL OF STRENGTH WHICH THREATENS TODAY WOULD BE
TRANSFORMED INTO COOPERATION BENEFICIAL TO EVERYBODY. IT IS HERE,
PERHAPS, THAT THE SMALL GLIMMER OF HOPE LIES. TO THE EXTENT
THAT UNITED STATES UNDERSTANDS THAT THE RE-ESTABLISHMENT OF ITS
UNCLASSIFIED

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PAGE 04 PARIS 00847 02 OF 02 102056Z

DOMINANT SITUATION IN EUROPE IS NOT AN ACHIEVABLE OBJECTIVE,
AND THAT AN ATLANTIC UNION WITH ALL THE NATIONS OF WESTERN EUROPE
CANNOT BE ENVISIONED, IT WILL ENTER THE AREA OF A COMPROMISE WHICH
COULD BE REASONABLY ACCEPTED BY ALL".STONE

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